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1	IN THE UNITED STATES DISTRICT COURT
2	FOR THE EASTERN DISTRICT OF VIRGINIA
3	RICHMOND DIVISION
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6	: STEVES AND SONS, INC., : Civil Action No.
7	: 3:16CV545 vs.
8	:
	JELD-WEN, INC. : October 4, 2018 :
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11	COMPLETE TRANSCRIPT OF THE CONFERENCE CALL
12	BEFORE THE HONORABLE ROBERT E. PAYNE
13	UNITED STATES DISTRICT JUDGE
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15	APPEARANCES:
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## PROCEEDINGS

THE COURT: Hello. This is Steves and Sons, Inc., against Jeld-Wen, Inc., civil 3:16CV545. Starting with counsel for the plaintiff, who is here for whom?

MR. POWELL: Good afternoon, Your Honor. Lewis

Powell and Maya Eckstein and Glenn Pomerantz are on the line

for Steves and Sons.

MR. SMITH: Good afternoon, Your Honor. This is Mike Smith for Jeld-Wen, and I'm on the line with Peggy Zwisler.

available. Tomorrow or this afternoon, I will issue an order or a memorandum opinion approving divestiture as a remedy. Under the circumstances of the case, I need to solicit your advices on a matter. Particularly, the jury's verdict awarded antitrust damages, and now that the Court has held divestiture is an appropriate remedy, and under *Brown Shoe*, that can be appealed even though divestiture, if affirmed as a proper remedy, will occur after appeal.

Steves has agreed that it doesn't want -- is not entitled to both remedies, and Jeld-Wen has represented that it intends to appeal both the jury's verdict and the divestiture, so the task is to prepare a proper -- formulate a judgment order that permits appeal of the jury's verdict and the divestiture order and that assures there will be no double

recovery while at the same time preserving the right to recover the monetary award if it is affirmed on appeal, if the divestiture is not affirmed on appeal.

I have prepared an order which will also be entered this afternoon or tomorrow that asks you to brief those questions. Plaintiff, Steves, file opening brief on October 16, defendant's response on October 30, plaintiff's reply on November 7. I wanted to make sure that you can — that there's nothing to preclude you from addressing that issue on that schedule. I do not know what your commitments otherwise are.

MR. POMERANTZ: Your Honor, from Steves' perspective, we can meet the deadlines you just set forth.

MS. ZWISLER: Yes, Your Honor. This is Peggy Zwisler for the defendant. We can meet the deadline as well.

THE COURT: All right. I have tried to do a good bit of research on my own. In our back-and-forth discussion, we have, off and on the record, I guess, at various times when it has been discussed, we have mentioned this as, perhaps, a question of election of remedies, and I'm not quite so sure that it is an issue of election of remedies as much as it is precluding double recovery and dealing with a rather unusual situation in which an order -- you have two different orders that need to be appealed.

One way to go forward, it seems to me, is to enter an

order that enters order on the jury's verdict as it's been amended by the JMOL and that enters the -- orders divestiture and entering an order that says that after the matter -- after all appeals are exhausted or after the time for appeal is exhausted and no appeal is filed, which is an eventuality I do not think would happen, the -- Steves has to choose which remedy it wants, but I don't want you or the Court to be in a position of putting you somewhere that you can't -- A, you couldn't appeal something that you want to appeal, or, B, having the Court of Appeals say they don't have jurisdiction. So I solicit your views on the matter, and we will go forward from there. Thank you.

MR. POMERANTZ: Thank you, Your Honor, we appreciate that.

MR. POWELL: Thank you, Your Honor.

THE COURT: Thank you for being available. These orders will -- I am going to give you a copy of the actual divestiture order that I envision entering, but I'm not entering it because I want the answers to these questions before I enter either the judgment on the jury's verdict or the order of divestiture.

So while you will have a copy of it, it will have draft on it, and I am not going to file it. I'm just going to send it to you all so you'll be looking at it. At least I don't think --

MR. POMERANTZ: That makes sense, Your Honor.

THE COURT: Any questions that anybody has?

MR. POWELL: Your Honor, Lewis Powell. Just to be clear, so am I understanding your last comment to mean that you won't be filing anything today or tomorrow insofar as the public record is concerned?

THE COURT: I will file the memorandum opinion and the order calling for this briefing, but I will not file, I don't think, the actual order of divestiture. However, I think -- I don't know. I may just say this is something to the effect that the Court envisions entering this order, this divestiture order and this judgment order, and if you'd like to comment on those you can do that, too, but they will not be actually entered, whereas I have entered in the trade secrets case the judgments, the decisions on judgments as a matter of law and entered judgment on the verdict for \$1,200,000 on behalf of Jeld-Wen. That has been done. I didn't see any reason to hold that back. I assume that at some point in time they will all get married up on appeal.

The last matter that has to be decided -- well, there are really two. One is the Steves issue -- request for declaratory relief which is briefed in an extremely skimpy manner. I'm looking at it. I think I can do what I need to do without requiring more briefing. If I require more, I'll ask for it.

much.

Then I have asked you to have more briefing on Jeld-Wen's prayer for an injunction in the trade secrets case, and that is underway now. So I'm assuming you all will figure out a way to marry everything up on appeal, but at least as to these two questions, I really solicit your views on how to proceed. So does that answer your question, Mr. Powell?

MR. POWELL: It does, Your Honor. Thank you very

MS. ZWISLER: Your Honor, I just want to -- I just have a question about the election-of-remedies issue, because it's not clear to me. So what you are saying is that a final judgment in this case would both require the judgment on the jury's verdict and judgment of divestiture and not, at this time, require the plaintiff to choose which of those is its preferred remedy.

THE COURT: I'm not saying that. I said that is one option.

MS. ZWISLER: Oh, good. Thank you.

THE COURT: The reason I'm asking for briefing is because I want briefing, and I want to be informed of the law on the matter more thoroughly than I have been so far. I said one way to go about this, it seems to me, is to enter a judgment on the verdict for the dollar amount of the antitrust damages and the breach of contract damages and enter the divestiture order but put a provision in there that says

because this matter is subject to appeal and further action after appeal if the remedy of divestiture is affirmed as a 2 3 proper remedy, then the election doesn't -- the decision which 4 remedy to choose doesn't have to be made until after the 5 appellate process is over or after the time for appeal has 6 expired with no appeal having been filed. 7 But that's only one way to go about it, and it has 8 its -- it could, as I think one of you mentioned earlier in the 9 proceedings, have its own problems. So I'm soliciting your 10 advices is what I'm doing. I didn't mean to say that is what I was going to do. If I came across that way, I apologize. 11 that answer your question, Ms. Zwisler? 12 13 MS. ZWISLER: Yes, it does. Thank you, Your Honor. THE COURT: I look forward to hearing from you. 14 Thank you so much for being available. 15 16 MS. ZWISLER: Thank you, Your Honor. 17 MR. POWELL: Thank you. 18 THE COURT: Bye. 19 (End of proceedings.) 20 21 I certify that the foregoing is a correct transcript 22 from the record of proceedings in the above-entitled matter. 23 24 25 P. E. Peterson, RPR Date